CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE

October 28, 1998

H.R. 678
Thomas Alva Edison Commemorative Coin Act

As cleared by the Congress on October 7, 1998

H.R. 678 would direct the U.S. Mint to produce and issue a silver coin during calendar year 2004 to commemorate the 125th anniversary of the invention of the light bulb by Thomas Edison. The legislation specifies that the price of the coin include a surcharge of $10 and that receipts from the surcharges be distributed among seven private institutions and the National Park Service (NPS). CBO estimates that enacting H.R. 678 would decrease direct spending by $2 million in fiscal year 2004 and increase such spending by $1 million in each of fiscal years 2005 and 2007, as shown in the following table. However, these amounts would not count for the purposes of enforcing pay-as-you-go procedures, because only the effects in the budget year and the succeeding four years are considered for that purpose.

	By Fiscal Year, in Millions of Dollars									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Changes in outlays	0	0	0	0	0	-2	1	0	1	0
Changes in receipts	Not applicable									

H.R. 678 could raise as much as $5 million in surcharges if the Mint sells the maximum number of authorized coins, although the experience of recent anniversary-based commemoratives suggests that sales would be significantly less than the authorized total. In addition, the legislation would require that the Mint transfer almost all of the proceeds from surcharges to private organizations and would allow the NPS to spend sums transferred to it without further appropriation action. As a result, CBO estimates that direct spending would decline by $1 million in fiscal year 2004 and would increase by $1 million in 2005, reflecting the receipt of surcharges by the Mint and their subsequent disbursement.

In addition, because the Mint would acquire silver from the Defense Logistics Agency (DLA) to produce the coins, we estimate that H.R. 678 would also increase DLA's offsetting collections from the sale of excess silver by about $1 million in fiscal year 2004. However, the government's supply of silver is limited, and we anticipate that it will be depleted by fiscal year 2007. Hence, the use of silver for the Edison coin in 2004 would leave less available for other collectible coins in subsequent years, resulting in a loss of about $1 million in receipts in 2007.

Finally, CBO expects that the Mint would retain and spend any additional net proceeds generated from the sale of the coins to fund other commercial activities.

The CBO staff contact is John R. Righter. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.